Postal Regulatory Commission Submitted 11/30/2012 9:35:43 AM Filing ID: 85764 Accepted 11/30/2012

Before the POSTAL REGULATORY COMMISSION Washington, DC 20268-0001

Market Test of Experimental :

Product – Alternate Postage : Docket No. MT2011-1

Payment Method for :

Greeting Cards :

RESPONSE OF THE GREETING CARD ASSOCIATION IN SUPPORT OF POSTAL SERVICE MOTION TO EXTEND MARKET TEST

Pursuant to Order No. 1554 (November 27, 2012) and section 21(b) of the Rules of Practice, 39 CFR 3001.21(b), the Greeting Card Association (GCA) files this Response to the Postal Service's November 21 Motion to extend the alternate postage payment experiment. GCA supports the Postal Service request.

The reasons the Postal Service advances at pp. 2-4 of its Motion are cogent ones. The improved convenience afforded by postage-prepaid mailpieces is certainly likely to encourage more volume of high-contribution First-Class letter mail. Since postcards provide a useful per-piece contribution, the idea of extending the new product to them is likewise promising. GCA fully supports the Postal Service's conclusion (Motion, p. 2) that the alternate payment system should be made a permanent product.

As the Service notes (Motion, p. 4), 39 U.S.C. § 3641(d)(2) provides that a market test may be extended for not more than 12 months. GCA naturally hopes and expects that all the necessary research can be completed and the new product finally approved well before that deadline. The Postal Service states that it expects to file an application for the product in "early 2013" (Motion, p. 2). It is worth pointing out that some significant chances for growth in greeting card vol-

ume fall in the first half of the calendar year – particularly Mother's Day (on May 12 in 2013), and the Father's Day/graduation period in June. The Postal Service would benefit from having the alternate payment system in place – both in stores and in the public's perceptions – in time for opportunities like these.

GCA therefore respectfully urges that the Postal Service motion to extend the market test be granted.

November 30, 2012

Respectfully submitted,

GREETING CARD ASSOCIATION

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